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JUL 11 2013
Puget Sound
Clean Air Agency

ECOLOGY GRANT NO. G1400019
RECIPIENT GRANT No. 2013-063
between the
STATE OF WASHINGTON DEPARTMENT OF ECOLOGY
and
PUGET SOUND CLEAN AIR AGENCY

THIS is a binding agreement entered into by and between the State of Washington, Department of Ecology, hereinafter referred to as "DEPARTMENT" and Puget Sound Clean Air Agency, hereinafter referred to as the "RECIPIENT" to assist in operating Washington State and Local Air Monitoring Network sites.

PART 1. GENERAL INFORMATION

Project Title: Tulalip Tribe Air Monitoring Services

RECIPIENT: Puget Sound Clean Air Agency
1904 Third Avenue, Suite 105
Seattle, WA 98101

Federal Tax ID: 91-0823558

DUNS #: 363422374

Project Contact: Matt Harper

Telephone: 206-689-4009

E-mail: math@pscleanair.org

Fiscal Contact: Karen Houser

Telephone: 206-689-4036

E-mail: KarenH@pscleanair.org

DEPARTMENT: Air Quality Program
PO Box 47600
Olympia, WA 98504-7600

Project Contact: Mike Ragan

Telephone: 360-407-6877

E-mail: mike.ragan@ecy.wa.gov

Fiscal Contact: Cheryl Witt

Telephone: 360-407-6805

E-mail: cheryl.witt@ecy.wa.gov

Total Grant Amount: \$12,429.00

Effective Date: The effective start date of this grant agreement shall be July 1, 2013. Any expenditure made prior to the effective date of this agreement will be at the sole expense and risk of the RECIPIENT.

Completion Date: The project described herein expires on June 30, 2014. However, the DEPARTMENT reserves the right at its discretion, to extend this grant agreement.

PART 2. PROGRAM BACKGROUND

This grant provides funding for the RECIPIENT to provide air monitoring services for the mutual benefit of both the DEPARTMENT and the RECIPIENT. The scope of this grant agreement is limited to only two monitoring sites located on the Tulalip Reservation: Reuben Shelton and Big Flatts and Local Air Monitoring Network.

PART 3. BUDGET SUMMARY AND CONDITIONS

1. The DEPARTMENT is providing \$12,429 in federal funds to the RECIPIENT to conduct the project. This agreement is funded through an Environmental Protection Agency Performance Partnership Grant, Section 105 of the Clean Air Act. (Catalogue of Federal Domestic Assistance [CFDA] is 66.605).

As a recipient of federal funds, the following regulations apply:

State & Local Governments:

OMB CIRCULAR A-133 Audits of States, Local Governments, and Non-Profit Organizations
OMB CIRCULAR A-133 Compliance Supplement
OMB CIRCULAR A-87 Cost Principles for State, Local, and Indian Tribal Governments
OMB CIRCULAR A-102 Uniform Administrative Requirements (the Common Rule)

Certification Regarding Suspension, Debarment, Ineligibility or Voluntary Exclusion:

- a. The RECIPIENT, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
- b. The RECIPIENT shall provide immediate written notice to the Department if at any time the RECIPIENT learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
- c. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the DEPARTMENT for assistance in obtaining a copy of those regulations.
- d. The RECIPIENT agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of

Federal Regulations, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.

- e. The RECIPIENT further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- f. Pursuant to 2 CFR180.330, the RECIPIENT is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
- g. RECIPIENT acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
- h. The RECIPIENT agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to the DEPARTMENT before requests for reimbursements will be approved for payment. The RECIPIENT must run a search in www.sam.gov and print a copy of completed searches to document proof of compliance.

Federal Funding Accountability and Transparency Act (FFATA) Reporting Requirements:

In order to comply with the FFATA, the recipient must complete the FFATA Data Collection Form and return it to the Department. The Department will report basic agreement information, including the required Data Universal Numbering System (DUNS) number, for all federally-funded agreements at www.fsrs.gov. This information will be made available to the public at www.usaspending.gov. Recipients who do not have a DUNS number can find guidance at www.grants.gov. **Please note that DEPARTMENT will not pay any invoices until it has received the completed FFATA Data Collection Form.**

Any recipient that meets each of the criteria below must also report compensation for its five top executives, using DEPARTMENT's FFATA Data Collection Form.

- Receives more than \$25,000 in federal funds under this award; and
- Receives more than 80 percent of its annual gross revenues from federal funds; and
- Receives more than \$25,000,000 in annual federal funds

See www.fsrs.gov for details of this requirement. If your organization falls into this category, you must report the required information to DEPARTMENT.

2. Payments to the RECIPIENT from the DEPARTMENT shall be made on a cost-reimbursement basis.

This is a performance based grant agreement. Compensation for all work will be based on the satisfactory performance or completion of deliverable(s) or percentage of completion of deliverable(s) accepted and approved by the Project Manager. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work. A progress report is required with each invoice submitted, but no less often than quarterly. The DEPARTMENT will not pay any invoice until the progress report is received. See Appendix B for suggested progress report format.

3. RECIPIENTS shall submit payment requests at least quarterly, but no more often than once per month.
4. Each payment request shall consist of the following forms:
 - a. A properly completed A19-1A, State Invoice Voucher that has been signed by an authorized signer of the RECIPIENT. The DEPARTMENT needs the original-signature version of the A19-1A.
 - b. A properly completed DEPARTMENT Form B2.
 - c. A properly completed DEPARTMENT Form C2.
5. RECIPIENTS shall submit all required supporting documentation with each payment request.
6. RECIPIENTS shall submit a progress report with each payment request that includes a brief narrative summary of the work accomplished and progress made. (See Appendix B for progress report format)
7. Payment requests are to be submitted to the DEPARTMENT Fiscal Contact.
8. Reimbursements will be made within 30 days from the date the RECIPIENT'S properly completed payment request is received by the DEPARTMENT.
9. For the administration of this agreement the RECIPIENT will follow the "Administrative Requirements for Recipients of Ecology Grants and Loans", current edition.
(<http://www.ecy.wa.gov/biblio/9118.html>)
10. Expenditures will be monitored by the DEPARTMENT's Fiscal Office for compliance with the EXPENDITURE BUDGET at the ELEMENT LEVEL.

Rueben Shelton Nephelometer			
Full year operation of the nephelometer		\$4,000	
Big Flatts Meteorological Equipment			
Includes QC visits and unscheduled trips		\$2,157	
Installation of power system and met equipment		\$1,272	
	Subtotal		\$7,429
Big Flatts Power Generator purchase/installation funding			
	Subtotal		\$5,000
Grand Total			\$12,429

PART 4. SCOPE OF WORK

Background: A nephelometer monitoring system and a datalogger are already installed and operating at the Rueben Shelton monitoring station. A trailer and a wind sensor tower are located at the Big Flatts monitoring station. A wind sensor measuring wind speed and wind direction, a temperature sensor, and a datalogger are located at the Big Flatts monitoring station, but not yet installed. A power system needs to be specified, purchased, delivered, and installed for use at the Big Flatts monitoring station.

A. RECIPIENT shall provide the following Air Monitoring Services:

- 1) RECIPIENT will purchase and install the generator power system, and install the wind sensor, temperature sensor, and datalogger at the Big Flatts monitoring station.
- 2) RECIPIENT will operate and maintain equipment at two monitoring sites located on the Tulalip Reservation: Rueben Shelton and Big Flatts. Operating and maintaining equipment for purposes of this agreement means that RECIPIENT will perform all quality control, maintenance and log book notations necessary for data to be logged by the site dataloggers.
- 3) RECIPIENT will notify DEPARTMENT of equipment malfunctions within two (2) business days of discovering the malfunction.
- 4) RECIPIENT will follow DEPARTMENT's information technology and security policies, standard operating procedures, and quality assurance project plan.
- 5) RECIPIENT shall perform datalogger software upgrades and computer administrative tasks locally according to DEPARTMENT instructions.
- 6) EPA has defined the terms "data verification" and "data validation" and those definitions shall be used for purposes of this Agreement. "The term data verification means the process of evaluating the completeness, correctness, and conformance/compliance of a specific data set against the method, procedural or contractual requirements." See EPA QA G-8 GUIDANCE ON ENVIRONMENTAL DATA VERIFICATION AND DATA VALIDATION. The term "data validation" means the routine process designed to ensure that reported values meet the quality goals of the environmental data operations. Data validation is further defined as examination and provision of objective evidence that the particular requirements for a specific intended use are fulfilled. Id. Pursuant to this Agreement, RECIPIENT will perform "data verification" at the two sites, but will not perform "data validation" at the two sites.
- 7) Upon site shutdown, RECIPIENT shall shut down the site or equipment specified, remove all equipment and return the equipment to DEPARTMENT within thirty (30) days.

B. DEPARTMENT shall provide the following Air Monitoring Services:

- 1) Test, calibrate, and configure equipment at DEPARTMENT's Headquarters facility including one nephelometer, one wind sensor, one temperature sensor, and two dataloggers.
- 2) Post standard operating procedures and quality assurance project plan on DEPARTMENT's website.
- 3) Provide to RECIPIENT information technology and security policies.

- 4) Provide routine editing of data collected at the two sites.
- 5) Provide off-site troubleshooting and network support via the site phone.
- 6) DEPARTMENT shall provide technical assistance with data retrieval problems associated with monitoring equipment and dataloggers.
- 7) DEPARTMENT is responsible for data storage, backup, and recovery services on the central server for all data collected.
- 8) DEPARTMENT shall provide datalogger software upgrades and computer administrative tasks remotely, or shall provide instructions to RECIPIENT to perform the same functions locally.
- 9) DEPARTMENT shall provide "data validation".
- 10) DEPARTMENT may decide, for any reason, that any of the sites or equipment shall be shut down. DEPARTMENT shall notify RECIPIENT of this shut down in writing at least thirty (30) days in advance of site shutdown.
- 11) DEPARTMENT will provide all Quality Assurance activities including:
 - a. A review of all monitoring activities.
 - b. One (1) performance audit on the wind sensor and temperature sensor.
 - c. Inspection of all maintenance and quality control check paperwork.
 - d. Data Validation.
 - e. Submission of data to EPA's AQS (Air Quality System) database.

PART 5. SPECIAL TERMS AND CONDITIONS

The RECIPIENT will acknowledge and inform the public at their discretion about the DEPARTMENT'S funding participation in this project through the use of project signs and/or acknowledgement in published materials and reports, the news media, or other public announcements.

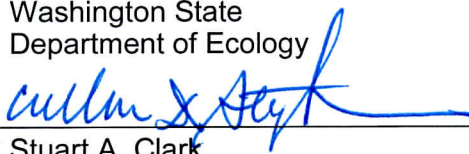
PART 6. ALL WRITINGS CONTAINED HEREIN

This agreement, the appended "General Terms and Conditions" and "Progress Report", and the DEPARTMENT'S current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans", contain the entire understanding between the parties, and there are no other understandings or representations except those set forth or incorporated by reference herein.


No subsequent modification(s) or amendments to this agreement will be of any force or effect unless in writing, signed by authorized representatives of the RECIPIENT and DEPARTMENT and made a part of this agreement.

In Witness Whereof, the parties hereby sign this grant agreement

Washington State
Department of Ecology

for  7/3/13
Stuart A. Clark
Air Quality Program Manager
Date

Puget Sound Clean Air Agency

 6/25/13
Craig Kenworthy
Executive Director
Date

Approved as to form only by the
Assistant Attorney General

APPENDIX A

GENERAL TERMS AND CONDITIONS Pertaining to Grant and Loan Agreements of the Department of Ecology

A. RECIPIENT PERFORMANCE

All activities for which grant/loan funds are to be used shall be accomplished by the RECIPIENT and RECIPIENT's employees. The RECIPIENT shall only use contractor/consultant assistance if that has been included in the agreement's final scope of work and budget.

B. SUBGRANTEE/CONTRACTOR COMPLIANCE

The RECIPIENT must ensure that all subgrantees and contractors comply with the terms and conditions of this agreement.

C. THIRD PARTY BENEFICIARY

The RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this agreement, the state of Washington is named as an express third-party beneficiary of such subcontracts with full rights as such.

D. CONTRACTING FOR SERVICES (BIDDING)

Contracts for construction, purchase of equipment and professional architectural and engineering services shall be awarded through a competitive process, if required by State law. RECIPIENT shall retain copies of all bids received and contracts awarded, for inspection and use by the DEPARTMENT.

E. ASSIGNMENTS

No right or claim of the RECIPIENT arising under this agreement shall be transferred or assigned by the RECIPIENT.

F. COMPLIANCE WITH ALL LAWS

1. The RECIPIENT shall comply fully with all applicable Federal, State and local laws, orders, regulations and permits.
2. Prior to commencement of any construction, the RECIPIENT shall secure the necessary approvals and permits required by authorities having jurisdiction over the project, provide assurance to the DEPARTMENT that all approvals and permits have been secured, and make copies available to the DEPARTMENT upon request.
3. Discrimination. The DEPARTMENT and the RECIPIENT agree to be bound by all Federal and State laws, regulations, and policies against discrimination. The RECIPIENT further agrees to affirmatively support the program of the Office of Minority and Women's Business Enterprises to the maximum extent possible. If the agreement is federally-funded, the RECIPIENT shall report to the DEPARTMENT the percent of grant/loan funds available to women or minority owned businesses.
4. Wages and Job Safety. The RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of Washington which affect wages and job safety.
5. Industrial Insurance. The RECIPIENT certifies full compliance with all applicable state industrial insurance requirements. If the RECIPIENT fails to comply with such laws, the DEPARTMENT shall have the right to immediately terminate this agreement for cause as provided in Section K.1, herein.

G. KICKBACKS

The RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this project to give up any part of the compensation to which he/she is otherwise entitled or, receive any fee, commission or gift in return for award of a subcontract hereunder.

H. AUDITS AND INSPECTIONS

1. The RECIPIENT shall maintain complete program and financial records relating to this agreement. Such records shall clearly indicate total receipts and expenditures by fund source and task or object.

All grant/loan records shall be kept in a manner which provides an audit trail for all expenditures. All records shall be kept in a common file to facilitate audits and inspections.

Engineering documentation and field inspection reports of all construction work accomplished under this agreement shall be maintained by the RECIPIENT.

2. All grant/loan records shall be open for audit or inspection by the DEPARTMENT or by any duly authorized audit representative of the State of Washington for a period of at least three years after the final

grant payment/loan repayment or any dispute resolution hereunder. If any such audits identify discrepancies in the financial records, the RECIPIENT shall provide clarification and/or make adjustments accordingly.

3. All work performed under this agreement and any equipment purchased, shall be made available to the DEPARTMENT and to any authorized state, federal or local representative for inspection at any time during the course of this agreement and for at least three years following grant/loan termination or dispute resolution hereunder.

4. RECIPIENT shall meet the provisions in OMB Circular A-133 (Audits of States, Local Governments & Non Profit Organizations), including the compliance Supplement to OMB Circular A-133, if the RECIPIENT expends \$500,000 or more in a year in Federal funds. The \$500,000 threshold for each year is a cumulative total of all federal funding from all sources. The RECIPIENT must forward a copy of the audit along with the RECIPIENT'S response and the final corrective action plan to the DEPARTMENT within ninety (90) days of the date of the audit report.

I. PERFORMANCE REPORTING

The RECIPIENT shall submit progress reports to the DEPARTMENT with each payment request or such other schedule as set forth in the PART 1 through 5 of this agreement. The RECIPIENT shall also report in writing to the DEPARTMENT any problems, delays or adverse conditions which will materially affect their ability to meet project objectives or time schedules. This disclosure shall be accompanied by a statement of the action taken or proposed and any assistance needed from the DEPARTMENT to resolve the situation. Payments may be withheld if required progress reports are not submitted.

J. COMPENSATION

1. Method of compensation. Payment shall normally be made on a reimbursable basis as specified in the grant agreement and no more often than once per month. Each request for payment will be submitted by the RECIPIENT on State voucher request forms provided by the DEPARTMENT along with documentation of the expenses. Payments shall be made for each task/phase of the project, or portion thereof, as set out in the Scope of Work when completed by the RECIPIENT and approved as satisfactory by the Project Officer.

2. Payment form. The payment request form and supportive documents must itemize all allowable costs by major elements as described in the Scope of Work. Instructions for submitting the payment requests are found in "Administrative Requirements for Recipients of Ecology Grants and Loans", part IV, published by the DEPARTMENT. A copy of this document shall be furnished to the RECIPIENT. When payment requests are approved by the DEPARTMENT, payments will be made to the mutually agreed upon designee.

Payment requests shall be submitted to the DEPARTMENT and directed to the Project Officer assigned to administer this agreement.

2. Period of Compensation. Payments shall only be made for actions of the RECIPIENT pursuant to the grant/loan agreement and performed after the effective date and prior to the expiration date of this agreement, unless those dates are specifically modified in writing as provided herein.

3. Final Request(s) for Payment. The RECIPIENT should submit final requests for compensation within forty-five (45) days after the expiration date of this agreement and within fifteen (15) days after the end of a fiscal biennium. Failure to comply may result in delayed reimbursement.

4. Performance Guarantee. The DEPARTMENT may withhold an amount not to exceed ten percent (10%) of each reimbursement payment as security for the RECIPIENT's performance. Monies withheld by the DEPARTMENT may be paid to the RECIPIENT when the project(s) described herein, or a portion thereof, have been completed if, in the DEPARTMENT's sole discretion, such payment is reasonable and approved according to this agreement and, as appropriate, upon completion of an audit.

5. Unauthorized Expenditures. All payments to the RECIPIENT may be subject to final audit by the DEPARTMENT and any unauthorized expenditure(s) charged to this grant/loan shall be refunded to the DEPARTMENT by the RECIPIENT.

6. Mileage and Per Diem. If mileage and per diem are paid to the employees of the RECIPIENT or other public entities, it shall not exceed the amount allowed under state law for state employees.

7. Overhead Costs. No reimbursement for overhead costs shall be allowed unless provided for in the Scope of Work hereunder.

K. TERMINATION

1. For Cause. The obligation of the DEPARTMENT to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of the DEPARTMENT, to perform any obligation required of it by this agreement, the DEPARTMENT may refuse to pay any further funds thereunder and/or terminate this agreement by giving written notice of termination.

A written notice of termination shall be given at least five working days prior to the effective date of termination. In that event, all finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by the RECIPIENT under this agreement, at the option of the DEPARTMENT, shall become Department property and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Despite the above, the RECIPIENT shall not be relieved of any liability to the DEPARTMENT for damages sustained by the DEPARTMENT and/or the State of Washington because of any breach of agreement by the RECIPIENT. The DEPARTMENT may withhold payments for the purpose of setoff until such time as the exact amount of damages due the DEPARTMENT from the RECIPIENT is determined.

2. Insufficient Funds. The obligation of the DEPARTMENT to make payments is contingent on the availability of state and federal funds through legislative appropriation and state allotment. When this agreement crosses over state fiscal years the obligation of the DEPARTMENT is contingent upon the appropriation of funds during the next fiscal year. The failure to appropriate or allot such funds shall be good cause to terminate this agreement as provided in paragraph K.1 above.

When this agreement crosses the RECIPIENT's fiscal year, the obligation of the RECIPIENT to continue or complete the project described herein shall be contingent upon appropriation of funds by the RECIPIENT's governing body; Provided, however, that nothing contained herein shall preclude the DEPARTMENT from demanding repayment of ALL funds paid to the RECIPIENT in accordance with Section O herein.

3. Failure to Commence Work. In the event the RECIPIENT fails to commence work on the project funded herein within four months after the effective date of this agreement, or by any date mutually agreed upon in writing for commencement of work, the DEPARTMENT reserves the right to terminate this agreement.

L. WAIVER

Waiver of any RECIPIENT default is not a waiver of any subsequent default. Waiver of a breach of any provision of this agreement is not a waiver of any subsequent breach and will not be construed as a modification of the terms of this agreement unless stated as such in writing by the authorized representative of the DEPARTMENT.

M. PROPERTY RIGHTS

1. Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property, the RECIPIENT may copyright or patent the same but the DEPARTMENT retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover or otherwise use the material(s) or property and to authorize others to use the same for federal, state or local government purposes.

Where federal funding is involved, the federal government may have a proprietary interest in patent rights to any inventions that are developed by the RECIPIENT as provided in 35 U.S.C. 200-212.

2. Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish information of the DEPARTMENT; present papers, lectures, or seminars involving information supplied by the DEPARTMENT; use logos, reports, maps or other data, in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to the DEPARTMENT.

3. Tangible Property Rights. The DEPARTMENT's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans", Part V, shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by the DEPARTMENT in the absence of state, federal statute(s), regulation(s), or policy(s) to the contrary or upon specific instructions with respect thereto in the Scope of Work.

4. Personal Property Furnished by the DEPARTMENT. When the DEPARTMENT provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to the DEPARTMENT prior to final payment by the DEPARTMENT. If said property is lost, stolen or damaged while in the RECIPIENT's possession, the DEPARTMENT shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

5. Acquisition Projects. The following provisions shall apply if the project covered by this agreement includes funds for the acquisition of land or facilities:

a. Prior to disbursement of funds provided for in this agreement, the RECIPIENT shall establish that the cost of land/or facilities is fair and reasonable.

b. The RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses contemplated by this agreement.

6. Conversions. Regardless of the contract termination date shown on the cover sheet, the RECIPIENT shall not at any time convert any equipment, property or facility acquired or developed pursuant to this agreement to uses other than those for which assistance was originally approved without prior written approval of the DEPARTMENT. Such approval may be conditioned upon payment to the DEPARTMENT of that portion of the proceeds of the sale, lease or other conversion or encumbrance which monies granted pursuant to this agreement bear to the total acquisition, purchase or construction costs of such property.

N. SUSTAINABLE PRODUCTS

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is encouraged to implement sustainable practices where and when possible. These practices include use of clean energy, and purchase and use of sustainably produced products (e.g. recycled paper). For more information, see www.ecy.wa.gov/sustainability.

O. RECOVERY OF PAYMENTS TO RECIPIENT

The right of the RECIPIENT to retain monies paid to it as reimbursement payments is contingent upon satisfactory performance of this agreement including the satisfactory completion of the project described in the Scope of Work. In the event the RECIPIENT fails, for any reason, to perform obligations required of it by this agreement, the RECIPIENT may, at the DEPARTMENT's sole discretion, be required to repay to the DEPARTMENT all grant/loan funds disbursed to the RECIPIENT for those parts of the project that are rendered worthless in the opinion of the DEPARTMENT by such failure to perform.

Interest shall accrue at the rate of twelve percent (12%) per year from the time the DEPARTMENT demands repayment of funds. If payments have been discontinued by the DEPARTMENT due to insufficient funds as in Section K.2 above, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination. Any property acquired under this agreement, at the option of the DEPARTMENT, may become the DEPARTMENT'S property and the RECIPIENT'S liability to repay monies shall be reduced by an amount reflecting the fair value of such property.

P. PROJECT APPROVAL

The extent and character of all work and services to be performed under this agreement by the RECIPIENT shall be subject to the review and approval of the DEPARTMENT through the Project Officer or other designated official to whom the RECIPIENT shall report and be responsible. In the event there is a dispute with regard to the extent and character of the work to be done, the determination of the Project Officer or other designated official as to the extent and character of the work to be done shall govern. The RECIPIENT shall have the right to appeal decisions as provided for below.

Q. DISPUTES

Except as otherwise provided in this agreement, any dispute concerning a question of fact arising under this agreement which is not disposed of in writing shall be decided by the Project Officer or other designated official who shall provide a written statement of decision to the RECIPIENT. The decision of the Project Officer or other designated official shall be final and conclusive unless, within thirty days from the date of receipt of such statement, the RECIPIENT mails or otherwise furnishes to the Director of the DEPARTMENT a written appeal.

In connection with appeal of any proceeding under this clause, the RECIPIENT shall have the opportunity to be heard and to offer evidence in support of this appeal. The decision of the Director or duly authorized representative for the determination of such appeals shall be final and conclusive. Appeals from the Director's determination shall be brought in the Superior Court of Thurston County. Review of the decision of the Director will not be sought before either the Pollution Control Hearings Board or the Shoreline Hearings Board. Pending final decision of dispute hereunder, the RECIPIENT shall proceed diligently with the performance of this agreement and in accordance with the decision rendered.

R. CONFLICT OF INTEREST

No officer, member, agent, or employee of either party to this agreement who exercises any function or responsibility in the review, approval, or carrying out of this agreement, shall participate in any decision which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly interested; nor shall he/she have any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

S. INDEMNIFICATION

1. The DEPARTMENT shall in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

2. To the extent that the Constitution and laws of the State of Washington permit, each party shall indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this agreement.

T. GOVERNING LAW

This agreement shall be governed by the laws of the State of Washington.

U. SEVERABILITY

If any provision of this agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this agreement which can be given effect without the invalid provision, and to this end the provisions of this agreement are declared to be severable.

V. PRECEDENCE

In the event of inconsistency in this agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable Federal and State statutes and regulations; (b) Scope of Work; (c) Special Terms and Conditions; (d) Any terms incorporated herein by reference including the "Administrative Requirements for Ecology Grants and Loans"; and (e) the General Terms and Conditions.

SS-010 Rev. 04/04

APPENDIX B
PROGRESS REPORT FORMAT
PM_{2.5} GRANT PROGRAM

Instructions: *Include a progress report using the following format with each payment request. Report only information specific to the current time period.*

Date:

Clean Air Agency:

Grant Agreement #:

Project Contact:

Reporting Time Period:

Program Activities:
